

ROUTING AND RECORD SHEET

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FILE TITLE

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74-126-271

TRACE REQUEST	ABSTRACT	X
	INDEX	

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17 Apr 62

EGFA 37019

DISPATCH		CLASSIFICATION S-E-C-R-E-T	1. PATCH SYMBOL AND NO. EGFA-37019
TO	Chief, SR Attn.: CUSICK	HEADQUARTERS FILE NO. 74-126-27/1	
INFO	Chief, EE		
	Chief of Station, Germany		
	Chief, Munich Operations Group		
FROM	Chief, Frankfurt Operations Base	DATE 17 April 1962	
SUBJECT	AEVIRGIL New Operations Directive	RE: "43-3" - (CHECK "X" ONE)	
ACTION REQUIRED	For Your Information	X	MARKED FOR INDEXING
REFERENCE(S)	EGMW-11561		NO INDEXING REQUIRED
			INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY

DECLASSIFIED

1. As MOG correspondence has shown, and as will have been confirmed during your last visit to Germany, there have been conflicting opinions within the Base on the AEVIRGIL Project for some time now. These conflicting opinions concern the usefulness of AEVIRGIL as a REDSKIN mechanism; the effectiveness of AEVIRGIL as a propaganda machine; and, the probity or lack thereof of certain key figures in AEVIRGIL. In order to achieve an understanding within the Base on these matters, it had been decided before receipt of the reference dispatch that [redacted] and I would review the project and arrive at a Base position on these matters.

2. The reference dispatch was most welcome. Although not everyone here or in COS will agree with everything in it, it does give the SR position on the project and it answers the questions posed last August. Moreover, and mercifully, it saves us from once again proving that the attempt to use AEVIRGIL as a REDSKIN or intelligence collection mechanism is both dangerous and futile. The local review is now well underway, and in the past month [redacted] and I have spent the better part of two weeks in Munich talking with those who are most informed on the project and reviewing the files. [redacted] is again in Munich and will have finished his research there within a week. Although we will probably not send the entire study to Headquarters, it will serve as a basis for certain recommendations in respect to EGMW-11561 and it should give us a solid foundation upon which to proceed with the new project, the new mission, and new personnel.

3. For a variety of reasons your decision to send a new CA officer to Munich to run the AEVIRGIL Project is most timely and welcome. In the conflicts that occurred during the long period when AEVIRGIL was "...to stand or fall on its usefulness in the REDSKIN field...", effective communication between [redacted] and MOG was somewhat impaired. There are still evidences of this imperfection, but with the intelligence collection mission finally lifted, things are at least temporarily back on the track. Despite this, it is clear that it is not in the best interests of the AEVIRGIL Project, or of MOG, or of [redacted] to have BENNEWITZ continue to serve as "Senior Case Officer" responsible for the project and for the direction of a more junior Staff Officer. [redacted] has been in Munich with AEVIRGIL since April, 1957. In that time there have been a great many changes in the project's objectives, its budget and the size of the KUBARK personnel commitments to it. Despite [redacted] many obvious qualifications in the emigre field, his intimate knowledge of the project and his personal relationships with the AEVIRGIL hierarchy, it is now clear that [redacted] finds it difficult to see the project as objectively and as freshly as is desirable. Although it may be that a major overhaul of the project will not be necessary, many of the practices we have come to accept in our relationship with AEVIRGIL and in AEVIRGIL's approach to its own activities will need renovation. With the best of will, it will be difficult for [redacted] to make these changes after such a long time with the project.

4. In brief, this is what was behind the decision to [redacted] temporarily in charge of the project and to make [redacted] a senior advisor with primary responsibility for media content.

End of my best regards

FORM 53b 10-57 (40)	USE PREVIOUS EDITION REPLACES FORMS 51-28, 51-28A AND 51-29 VB218V1 WHICH ARE OBSOLETE.
14	15C
34	35

CLASSIFICATION
S-E-C-R-E-T

74-126-27/1

ROUTING

X 1 [redacted]	X 2 [redacted]
X 3 [redacted]	X 4 [redacted]
X 5 [redacted]	X 6 [redacted]
X 7 [redacted]	X 8 [redacted]

COPY

1. ACSL C3 12/11/62

2. [redacted]

3. [redacted]

4. BECIRGIL 12/12/62

5. [redacted]

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[] is quite capable of effecting the desired personal relationships with cleared leadership, he can supervise such operations as may be undertaken, he can help to find out where the money is going, and he is well qualified to determine the suitability of the leadership for our trust. In recent months [] has been nearly swamped in the administrative details of the project and in attempting to keep an eye on AEVIRGIL operational activity. This has caused him increasingly to divert his attention from the content of the AEVIRGIL media. If we are to improve the impact of AEVIRGIL material, the content and line of this material must be kept under the closest supervision by an officer well qualified to judge it. [] is qualified to do this during the interim period while [] sees to getting the project on its new footing. Once a firm operational set up is achieved, a single officer should be able to handle both the administration and content of the project--certainly this is what we plan for the new CA officer to do. The division of responsibility between [] and [] is only a temporary arrangement and one from which will be transferred as soon as the new CA officer is in place.

5. Although the budget cut specified in the reference has the concurrence of almost all concerned, it will require considerable readjustment on AEVIRGIL's part to encompass it. We have, therefore, already started boiling some of the fat away in order to make a transition to the new budget figure with a minimum of strain. We face several problems--we have been overspending (as a result of the AEPIQUE and AEMIGNON ventures); German laws are such that feed bills seem to go on long after the horse is dead, AEVIRGIL bookkeeping is such that it is difficult to determine exactly what activities cost what, etc., etc.

6. Although it is to be expected that the passage of hundreds of thousands of dollars through an emigre group will result in some of the money being swiped, the AEVIRGIL accounting system, plus the background of the AEVIRGIL staff, makes it necessary that we do our best to see that our money is being properly spent. As a matter of interest, our initial probings into AEVIRGIL bookkeeping and finances have shown AEVIRGIL to have a relatively clean slate. However, [] and [] plan to interview AEVIRGIL-109, the bookkeeper, in a few days and he may give us a different picture. Although we question the purpose of some expenditures in respect to the AEVIRGIL mission, we have not as yet seen any evidence of significant fraud. Aside from satisfying ourselves on this point, we must ensure that AEVIRGIL retains those elements of its activity that are considered most valuable by Headquarters and that the budget cuts are absorbed by the activities which contribute the least to the objectives of the project.

Distribution:

- 2 - SR
- 2 - EE
- 2 - COS
- 2 - MOG

74-126-271